

FOR IMMEDIATE RELEASE

Construction Industry Council Releases **“Construction Expenditure Forecast”(2014/15 to 2023/24)**

Hong Kong · 8 September 2014 – The Construction Industry Council (CIC) today released its latest “Construction Expenditure Forecast” for the 10-year period up to 2023/24.

Introduction

In response to the industry’s need of a construction expenditure forecast to facilitate better planning, the CIC formed a “Focus Group on Projected Construction Expenditure” to provide projections of Hong Kong’s construction expenditure in the coming 10 years. The Focus Group comprises 13 members from contractor associations, consultants, professional institutions and representatives from the HKSAR Government.

Objective

The objective of the Forecast is to provide industry stakeholders with a projection of construction expenditure in the public and private sectors over a 10-year period. Medium to long term construction expenditure forecasts will greatly assist industry stakeholders in forward planning and decision making.

Construction Expenditure Forecast

The forecast is released on a yearly basis, or otherwise deemed necessary. Three periods are covered in the construction expenditure forecast: (i) update on the historical trend using statistics published by the Census and Statistics Department (C&SD) up to 2013/14; (ii) mid-term forecast up to 2014/15; and (iii) long-term forecast up to 2023/24.

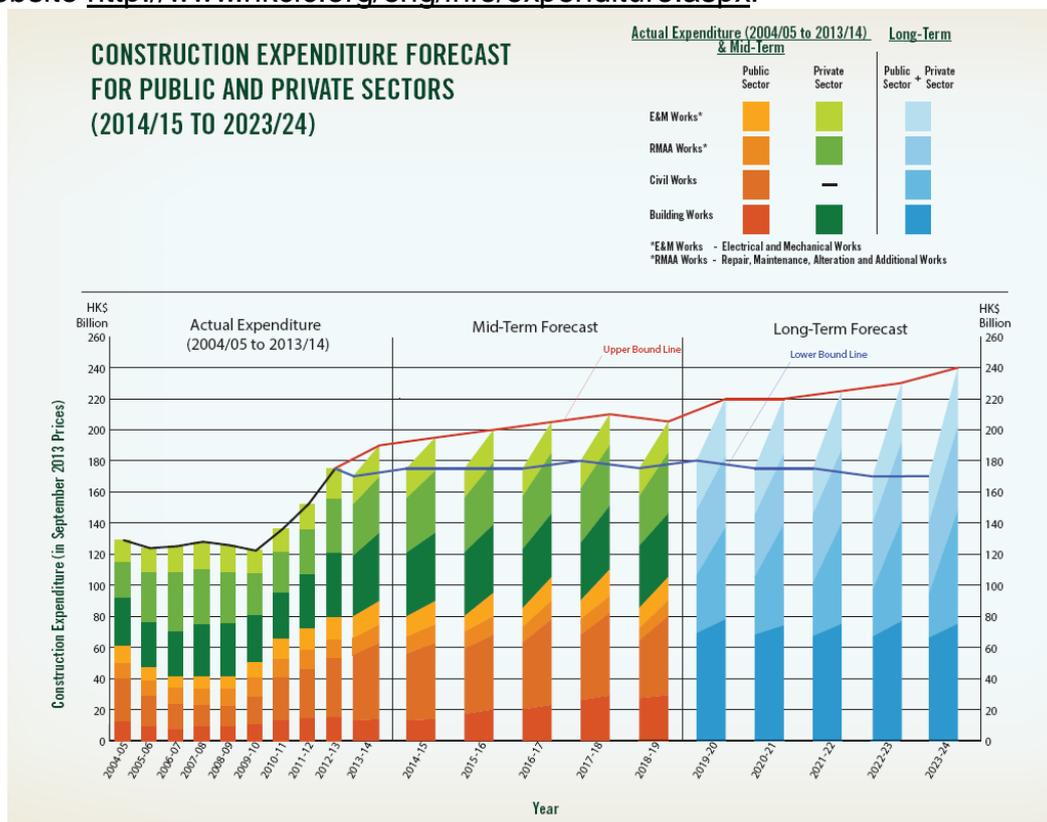
The public works expenditure forecast is provided by Development Bureau based on projects in progress and under planning. The mid-term forecast of the construction expenditure in the private sector is projected using research data on building floor area completion estimated by property surveying firms and other relevant statistics.

To update the second construction expenditure forecast released by the CIC in October 2013, the following have been compiled and incorporated into the latest expenditure forecast:

- i. Gross value of construction output published by the C&SD;
- ii. Public works expenditure including Government funded projects and the projects from Hong Kong Housing Authority, Airport Authority Hong Kong and MTR Corporation Limited;
- iii. Forecast of the gross floor areas to be completed and building costs in the private sector provided by the property surveying firm and Buildings Department; and
- iv. Price level kept unchanged as September 2013.

For the statistical data of the past 10 years, the construction expenditure is presented by rectangular bar chart. For the next ten-year projection, the construction expenditure forecast is presented by irregular bar chart with the indication of lower and upper bound levels.

The Construction Expenditure Forecast 2014/15 – 2023/24 is available at the CIC website <http://www.hkcic.org/eng/info/expenditure.aspx>.



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About the Construction Industry Council

The Construction Industry Council (CIC) was formed on 1 February 2007 under the Construction Industry Council Ordinance (Cap. 587). The CIC consists of a chairman and 24 members representing various sectors of the industry including employers, professionals, academics, contractors, workers, independent persons and Government officials.

The main functions of the CIC are to forge consensus on long-term strategic issues, convey the industry's needs and aspirations to Government, provide training and registration for the construction workforce and serve as a communication channel for Government to solicit advice on all construction-related matters.

Please visit www.hkcic.org for further details.

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